

## AMENDING THE ALASKA COAL LAND LEASING ACT.

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JANUARY 29, 1921.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

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Mr. SINNOTT, from the Committee on the Public Lands, submitted the following

### REPORT.

[To accompany H. R. 15830.]

The Committee on the Public Lands, to whom was referred the bill (H. R. 15830) to amend section 3 of an act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes," approved October 20, 1914, having considered the same, report it to the House with the recommendation that it do pass, amended as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That section 3 of the act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes," approved October 20, 1914, be, and the same is hereby, amended by adding to said section the following proviso:

*And provided further,* That where prospecting or exploratory work is necessary to determine the existence or workability of coal deposits in any unclaimed, undeveloped area in Alaska the Secretary of the Interior may issue prospecting permits for a term of not to exceed four years, under such rules and regulations and conditions as to development as he may prescribe, to applicants qualified under this act for not exceeding 2,560 acres; and if within the time specified in said permit the permittee shows to the Secretary of the Interior that the land contains coal in commercial quantities, the permittee shall be entitled to a lease under this act for all or any part of the land in his permit.

The proposed amendment to section 3 of the Alaska coal-leasing act was introduced in the House by the chairman of the Committee on the Public Lands at the request of the Secretary of the Interior. The Department of the Interior believes this amendment desirable to stimulate the production of coal on the Pacific coast. The reasons urged by the Secretary for the adoption of the proposed amendment are set out more fully in a communication to the chairman of the Committee on the Public Lands of the House of Representatives, which is herein set out in full for the information of the House. The bill as originally introduced sets out not only the proposed amend-

ment to section 3 but also the whole of section 3 of the act of October 20, 1914. The bill as amended by the committee simply sets out the addition to section 3 advocated by the Secretary of the Interior. The committee believed that the form adopted would present more clearly to the House the proposed change in the law.

The letters of the Secretary of the Interior are as follows.

The Secretary's letter of January 28 was received after the committee's action on the bill, and approves the committee's plan of amendment.

DEPARTMENT OF THE INTERIOR,  
Washington, January 14, 1921.

MY DEAR MR. SINNOTT: There is inclosed herewith a copy of a proposed amendment to section 3 of the Alaska coal leasing act of October 20, 1914 (38 Stat., 741).

In support of the proposed amendment I quote from the report of group 2 of the interdepartmental Alaska board, to whom the matter was referred for consideration, the report having been subsequently approved by said board:

"Your committee, to which was referred a recommendation that legislation be enacted providing for a prospecting permit on coal lands in Alaska similar to the provision of the law applicable to the public land States, has considered this matter and recommends that the Secretary of the Interior be advised that this board recommends the enactment of such legislation.

"The present law for leasing coal lands in Alaska assumes that only known coal lands are to be leased and no provision is made whereby a prospector may acquire a preference right if he discovers a new field. It has been the experience of those who have taken leases in the known coal fields that large amounts have to be expended in prospecting before they can plan comprehensive development. Anyone who goes into a new region to prospect for coal has no assurance that he will be able to secure a lease on the land if he should prove the existence of coal in commercial quantities. I believe that a period of not exceeding four years should be allowed during which time the permittee shall have exclusive right to prospect for coal, subject, of course, to regulations guaranteeing diligence and safeguarding the interests of the Government.

"There are many places in Alaska where indications of coal have been reported and if prospectors are given some assurance that their efforts will be rewarded, they will no doubt make an attempt to prove the value of the land for coal. A similar provision in the public land States has resulted in much prospecting and development in new fields and no doubt the result in Alaska will be the same.

"The need for coal on the Pacific coast is so well known as to make comment unnecessary and any action that will encourage prospecting and development of new fields should be strongly urged."

I concur in this recommendation and would appreciate your introducing the proposed amendment in the House of Representatives, with a view toward obtaining an early enactment.

Cordially, yours,

JOHN BARTON PAYNE, *Secretary.*

HON. NICHOLAS J. SINNOTT,  
*Committee on Public Lands, House of Representatives.*

AN ACT to amend section 3 of an act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes," approved October 24, 1914.

*Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled,* That section 3 of the act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes," approved October 24, 1914, be, and the same is hereby, amended so as to read as follows:

"Sec. 3. That the unreserved coal lands and coal deposits shall be divided by the Secretary of the Interior into leasing blocks or tracts of forty acres each, or multiples thereof, and in such form as in the opinion of the Secretary will permit the most economical mining of the coal in such blocks, but in no case exceeding two thousand five hundred and sixty acres in any one leasing block or tract: and thereafter, the Secretary shall offer such blocks or tracts and the coal, lignite, and associated minerals therein for leasing, and may award leases thereof through advertisement, competitive bidding, or such other methods as he may by general regulations adopt, to any person above the age of twenty-one years who is a citizen of the United States, or to any

association of such persons, or to any corporation or municipality organized under the laws of the United States or of any State or Territory thereof: *Provided*, That a majority of the stock of such corporation shall at all times be owned and held by citizens of the United States: *And provided further*, That no railroad or common carrier shall be permitted to take or acquire through lease or permit under this Act any coal or coal lands in excess of such area or quantity as may be required and used solely for its own use, and such limitation of use shall be expressed in all leases or permits issued to railroads or common carriers hereunder: *And provided further*, That any person, association, or corporation qualified to become a lessee under this Act and owning any pending claim under the public-land laws to any coal lands in Alaska may, within one year from the passage of this Act, enter into an arrangement with the Secretary of the Interior by which such claim shall be fully relinquished to the United States; and if, in the judgment of the Secretary of the Interior, the circumstances connected with such claim justify so doing, the moneys paid by the claimant or claimants to the United States on account of such claim shall, by direction of the Secretary of the Interior, be returned and paid over to such person, association, or corporation as a consideration for such relinquishment: *And provided further*, That where prospecting or exploratory work is necessary to determine the existence or workability of coal deposits in any unclaimed, undeveloped area in Alaska, the Secretary of the Interior may issue prospecting permits for a term of not to exceed four years, under such rules and regulations and conditions as to development as he may prescribe, to applicants qualified under this Act, for not exceeding two thousand five hundred and sixty acres; and if within the time specified in said permit the permittee shows to the Secretary of the Interior that the land contains coal in commercial quantities, the permittee shall be entitled to a lease under this Act for all or any part of the land in his permit.

"All claims of existing rights to any of such lands in which final proof has been submitted and which are now pending before the Commissioner of the General Land Office or the Secretary of the Interior for decision shall be adjudicated within one year from the passage of this Act."

DEPARTMENT OF THE INTERIOR,  
Washington, January 28, 1921.

Hon. N. J. SINNOTT,  
*Chairman Committee on Public Lands,*  
*House of Representatives.*

MY DEAR MR. SINNOTT: January 14, 1921, I forwarded recommendation that section 3 of the act of October 24, 1914 (38 Stat., 741), be amended so as to authorize the Secretary of the Interior to issue prospecting permits for the purpose of determining the existence or workability of coal deposits in Alaska. The amendment was in the form of a reenactment of section 3 of the act. My attention has just been directed to the fact that the body of said section 3 contains certain provisos with respect to old claims, and fixes a time limit for their disposition, which limit has long since expired, and that the reenactment of the entire section might raise some question in connection with such claims. I therefore suggest that, instead of reenacting the entire section, the desired result may be best secured by the following amendment:

"That section 3 of the act entitled 'An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes,' approved October 24, 1914, be and the same is hereby amended by adding to said section the following proviso:

"*And provided further*, That where prospecting or exploratory work is necessary to determine the existence or workability of coal deposits in any unclaimed, undeveloped area in Alaska, the Secretary of the Interior may issue prospecting permits for a term of not to exceed four years, under such rules and regulations and conditions as to development as he may prescribe, to applicants qualified under this act, for not exceeding 2,560 acres, and if within the time specified in said permit the permittee shows to the Secretary of the Interior that the land contains coal in commercial quantities, the permittee shall be entitled to a lease under this act for all or any part of the land in his permit."

Cordially, yours,

JOHN BARTON PAYNE, *Secretary.*

